



# National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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Registrar

No. NEPRA/TRF-100/MFPA/7390-7392

August 12, 2011

**Subject: Decision of the Authority in the matter of Fuel Charges Adjustment for the Month of June 2011 for XWDISCOs - Intimation of Decision of Tariff pursuant to Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)**

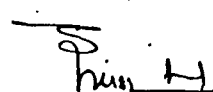
Please find enclosed herewith decision of the Authority along with Annex-I & Annex-II (06 pages) regarding Fuel Charges Adjustment for the month of June 2011 in respect of XWDISCOs.

2. The decision is being intimated to the Federal Government for the purpose of notification of Fuel Charges Adjustment for XWDISCOs in the official Gazette pursuant to Section 31(4) of NEPRA Act and Rule 16(11) of NEPRA (Tariff Standards and Procedure) Rules, 1998.

3. Pursuant to the Peshawar High Court orders dated 19.07.2011 in WP No. 1772/2011, the fuel adjustment charges shall not be added to the bills in the Khyber Pakhtunkhwa consumers till the time the final decision is issued by the Authority. Copy of Order of the Peshawar High Court is attached herewith for ready reference.

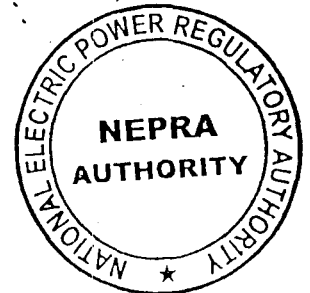
Encl: As above

Secretary  
Ministry of Water & Power  
'A' Block, Pak Secretariat  
Islamabad

  
(Syed Safer Hussain)

CC:

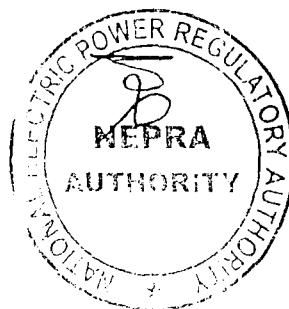
1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'C' Block, Pak Secretariat, Islamabad.





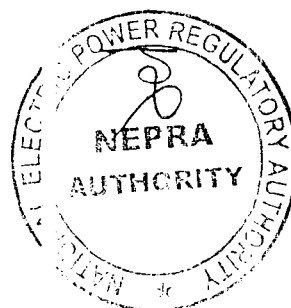
**DECISION OF THE AUTHORITY IN THE MATTER OF FUEL CHARGES ADJUSTMENT  
FOR THE MONTH OF JUNE 2011 FOR XW-DISCOS**

1. Pursuant to the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997, (XL of 1997), the Authority has to review and revise the approved tariff on account of any variation in the fuel charges on a monthly basis.
2. In order to review and revise the approved tariff of the XWDISCOS due to variations in the fuel charges for the month of June 2011, necessary information as to the details of fuel charges was obtained from Central Power Purchasing Agency (CPPA).
3. Notwithstanding the fact that the monthly adjustment on account of fuel charges variation is made in pursuance of the provisions of section 31(4) of the Act XL of 1997, yet the impact of such adjustments, if any, is passed on to the consumers of electricity, therefore, in order to meet the ends of natural justice, the Authority decided to provide an opportunity of hearing to all concerned while reviewing and revising the approved tariff on account of the variation in the fuel charges.
4. A date of hearing for the aforesaid purpose was fixed as 2<sup>nd</sup> August 2011 in NEPRA Main Office; notice thereof was published in leading national newspapers on 22<sup>nd</sup> July 2011 and 27<sup>th</sup> July 2011 inviting comments/objections from the interested persons. The salient features and details of the proposed adjustment were also mentioned in the said notice.
5. On the date fixed for hearing, representatives from Central Power Purchasing Agency (CPPA), Wapda Private Power Organization (WPPO), Islamabad Electric Supply Company (IESCO), Ministry of Water & Power and media were present; however, no representative from National Power Control Cell (NPCC) and Ministry of Finance attended the public hearing despite the service of notice. No written objection or comments were received regarding the proposed adjustments from any person. Further there was also no representation from the general public/consumers of electricity.
6. From the perusal of the information so provided by CPPA, it has been observed that the actual pool fuel charges of Rs. 6.3394/kWh for the month of June 2011 increased by Rs. 1.1148/kWh (Annex-I&II) as compared to the reference fuel charges, i.e. Rs.





- 5.2246/KWh as indicated in the Annexure-IV of the Authority's determination pertaining to the 1st Quarter of FY 2010-11.
7. The Authority noted that CPPA charged Rs. 459.6282 million as fuel cost for Karkey Rental Power Plant for 30.8374 GWh energy delivered during June 2011. The fuel price adjustment request with respect to Karkey Rental Power Plant is pending before the Authority. However, under Rule 4(7) of Tariff Standards & Procedure Rules 1998, the Authority may, while admitting a petition, allow the immediate application of the proposed tariff subject to an order for refund for the protection of consumers, or for satisfactory security to be provided for refund, while the proceedings are pending before the Authority. In view thereof, the Authority has decided to pass on, provisionally, to the consumers the fuel cost regarding energy generated by Karkey Rental Power Plant subject to the condition that the fuel cost will be adjusted in the succeeding period, if required, in accordance with the decision of the Authority regarding the pending fuel price adjustment of Karkey Rental Power Plant.
  8. The Authority further noted that CPPA charged Rs. 57.88 million as previous months' adjustment regarding energy purchased from Tavanir Iran during July 2010 to April 2011 on the basis of information provided by WPPO. The representative of WPPO could not substantiate the adjustment of Rs. 57.88 million. The Authority has decided to withhold the subject adjustment which has an impact of Rs. 0.0063/kWh till the time WPPO provide complete information regarding the justification of Rs. 57.88 million.
  9. The Authority also noted that during June 2011 NTDC claimed 3.61% transmission losses against the determined losses of 2.50% as per the Authority's determination dated 6<sup>th</sup> January 2006 (Case No. NEPRA/TRF-45/NTDC-2005). The Authority considers that the claimed transmission losses by NTDC are not consistent with the Authority's determination hence cannot be passed on to the consumers. The Authority has, therefore, decided to restrict the NTDC losses to 2.50% in accordance with its determination; accordingly the impact of Rs. 0.072/kWh on this account is being disallowed to be passed on to the consumers.
  10. The Authority has reviewed and assessed an increase of Rs. 1.0360/kWh in the applicable tariff for EX-WAPDA DISCOS on account of variations in the fuel charges for the month of June 2011 as per the following details:

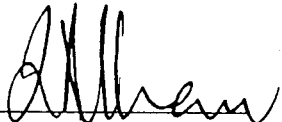


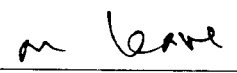
Actual Fuel Charges Component for June 2011	Rs. 6.2606/kWh
Corresponding Reference Fuel Charges Component (Determined)	Rs. 5.2246/kWh
Fuel Charges Variation for the month of June 2011 (Increase)	Rs. 1.0360/kWh

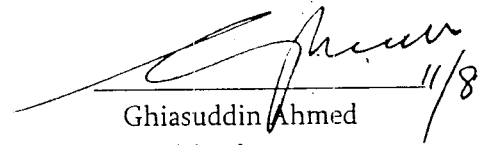
11. The assessed fuel charges adjustment of Rs. 1.0360/kWh for the month of June 2011 is higher by Rs. 0.4218/kWh than the adjustment of Rs. 0.6142/kWh for the month of May 2011; therefore, effectively there will be an increase of Rs. 0.4218/kWh in the bill of the consumers on account of fuel charges adjustment as compared to the month of May 2011.
12. The adjustment as referred to in Para 10 above ;
- shall be applicable to all the consumer categories except lifeline consumers of all the DISCOs with the provisional exception of Peshawar Electric Supply Company (PESCO) as per orders dated 19.7.2011 of Peshawar High Court in WP No. 1772/2011 ;
  - shall be shown separately in the consumers' bill on the basis of units billed to the consumers in the month of June 2011.

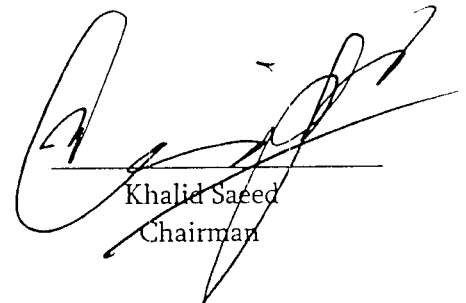
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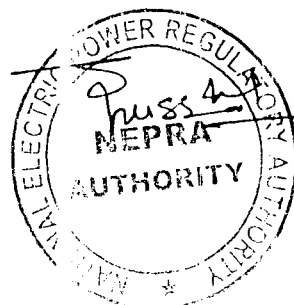
AUTHORITY

  
Zafar Ali Khan  
Member  
11/8/11

  
Shaukat Ali Kundi  
Member/ Vice Chairman

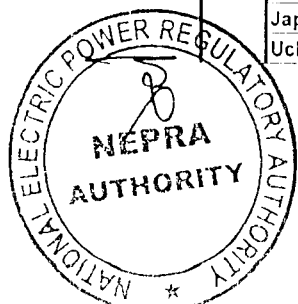
  
Ghiasuddin Ahmed  
Member  
11/8

  
Khalid Saeed  
Chairman



CENTRAL POWER PURCHASING AGENCY (CPPA)  
Energy Procurement Report (Provisional)  
June, 2011

S.No.	Power Producer	Fuel	Dep. Capacity MW	Energy KWh	Total Energy Cost (Rs.)	
1	WAPDA	Hydel	6,444.00	3,243,236,892	191,350,977	
	Jagran	Hydel	30.00	(1,484,390)	-2,965,811	
	Pehure	Hydel	17.90	3,857,040	18,575,119	
	Khan Khawar	Hydel	72.00	26,978,200	129,924,313	
	Malakund-III SHYDO	Hydel	81.46	29,460,500	235,939,557	
<b>Hydel Total:</b>			<b>6,645.36</b>	<b>3,302,048,242</b>	<b>572,824,155</b>	
2	<b>GENCO-I</b>					
	Jamshoro Block 1	RFO	738.5	67,360,000	1,094,881,140	
	Jamshoro Block 2	RFO		136,337,489	2,547,704,044	
	Unit 2-4	Gas		12,137,511	60,004,213	
	Kotry 3-7	Gas		32,886,000	136,271,083	
	Prev. Adjustment				2,123,218	
	<b>Jamshoro Total</b>			<b>798.50</b>	<b>248,721,000</b>	<b>3,840,983,697</b>
	<b>GENCO-II</b>					
	Central Block 1	RFO	1,400.00			
	Guddu CC 11-13	Gas		179,619,810	598,098,043	
	Guddu CC 5-10	Gas		200,034,265	738,526,506	
	Central Block 3	RFO		18,325,301	323,696,081	
	Guddu Steam 3-4	Gas		80,171,052	354,083,468	
	Guddu Steam 1-2	Gas		42,755,172	202,103,698	
	<b>Central Total</b>			<b>1,400.00</b>	<b>520,905,600</b>	<b>2,216,507,797</b>
	<b>GENCO-III</b>					
	Northern Block 1	RFO	568	172,469,126	2,943,888,430	
	MG Unit 1-3	Gas		704,938	3,012,271	
	Northern Block 2	RFO		117,377,404	1,985,974,701	
	Northern Block 3	RFO		23,232,575	437,004,736	
	GTPS FSD 5-9	GAS		5,839,060	19,905,939	
		HSD		5,839,060	94,766,776	
	Northern Block 5	RFO		16,039,000	373,668,603	
GTPS FSD 1-4	GAS	(37,120)		-225,537		
Northern Block 7	RFO	14,100,000		252,710,070		
Shahdra	Gas	(70,250)		-421,951		
Gulf Rental	RFO	62.00	39,969,939	607,423,719		
<b>Northern Total:</b>			<b>1,690.00</b>	<b>395,463,732</b>	<b>6,717,707,755</b>	
<b>GENCO-IV</b>						
Karkay	Coal	31.20	9,772,000	29,932,613		
	RFO	231.80	30,837,400	459,628,201		
<b>Total:</b>			<b>263.00</b>	<b>40,609,400</b>	<b>489,560,814</b>	
<b>GENCOs Total:-</b>			<b>4,151.50</b>	<b>1,205,699,732</b>	<b>13,264,760,063</b>	
3	<b>Kot Addu Block 1</b>					
		RFO	1345	202,216,660	2,549,162,028	
		HSD		4,637,505	65,671,495	
	<b>Kot Addu Block 2</b>					
		RFO		400,227,830	5,583,638,284	
		HSD		2,688,005	44,440,946	
	<b>KAPCO Total</b>			<b>1,345.00</b>	<b>609,770,000</b>	<b>8,242,912,753</b>
	Hub Power	RFO	1,200.00	766,132,400	11,092,323,329	
	Kohinoor Energy	RFO	124.00	75,345,000	1,045,411,409	
	AES Lalpir	RFO	347.30	177,565,000	2,650,453,626	
	Pak Gen Power Limited	RFO	348.60	177,116,532	2,644,773,840	
	Southern Power	RFO	110.17	28,384,713	408,554,673	
	Habibullah	Gas	129.15	54,675,160	168,840,313	
	Fauji Kabirwala	Gas	151.00	102,230,000	402,817,824	
	Rousch	Gas	395.00	257,522,842	751,194,523	
	Saba Power	RFO	125.55	14,643,535	219,280,409	
	Japan Power	RFO	107.00	29,647,895	389,655,665	
Uch	Gas	551.25	352,776,000	928,005,436		



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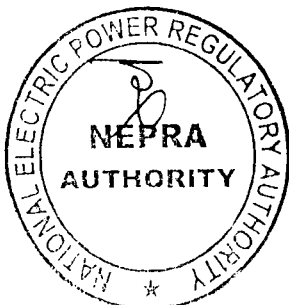
S.No.	Power Producer	Fuel	Dep. Capacity MW	Energy KWh	Total Energy Cost (Rs.)	
	Altern	Gas	26.40	18,566,500	66,833,238	
	Liberty	Gas	211.85	133,070,000	951,294,527	
	Chashma Nuclear	Nucl.	300.00	196,594,000	220,008,345	
	Chashma Nuclear-II	Nucl.	315.00	167,563,000	187,519,753	
	Tavanir Iran	Import	96.00	21,742,855	244,266,582	
Sub-Total:			5,883.27	3,183,345,432	30,614,146,245	
1	Attock-Gen	RFO	156.18	100,520,045	1,394,881,448	
2	Atlas-Honda	RFO	213.86	107,040,432	1,454,915,491	
3	Nishat Power	RFO	195.31	101,727,786	1,420,165,590	
4	Foundation Power	Gas	177.00	118,468,542	341,532,953	
5	Orient	Gas	212.74	123,318,082	332,174,137	
6	Nishat Chunian	RFO	195.72	115,601,238	1,670,125,759	
7	Saif Power	Gas	209.00	106,422,217	305,412,112	
8	Engro Energy	Gas	217.30	150,735,201	460,180,772	
9	Saphire Power	Gas	212.11	132,391,734	373,743,828	
		HSD		725,721	11,741,233	
10	Hubco Narowal	RFO	213.82	78,753,853	1,070,587,947	
11	Liberty Power	RFO	196.14	128,744,882	1,754,622,490	
12	Halmore	Gas	209.00	123,903,691	275,066,194	
Sub-Total:			2,408.17	1,388,353,424	10,865,149,954	
IPP,s Total:-			8,291.44	4,571,698,856	41,479,296,199	
4	TPS-Quetta	Gas	25.00	14,921,000	111,907,500	
		Wind		768,000	7,005,158	
		Mixed		151.00	37,931,309	436,210,054
		Others Total		176.00	53,620,309	555,122,712
G-Total:			19,264.30	9,133,067,139	55,872,003,129	

**Summary**

1	Hydel			3,302,048,242	572,824,155
2	Coal			9,772,000	29,932,613
3	HSD			13,890,291	216,620,450
4	F.O.			3,139,716,035	46,375,131,712
5	Gas			2,243,041,407	7,580,361,090
6	Nuclear			364,157,000	407,528,098
7	Import from Iran			21,742,855	244,266,582
8	Wind Power			768,000	7,005,158
9	Mixed			37,931,309	436,210,054
	Prev. Adjustment			-	2,123,218
Grand Total				9,133,067,139	55,872,003,129

**Energy Sale Price**

Energy Cost (Rs.)	55,872,003,129
EPP charged to IPPs (Rs.)	93,777,983
EPP (Chargable) (Rs.)	55,778,225,146
Energy Sold (KWh)	8,798,656,804
Avg. Rate (Rs./KWh)	6.339402



## Annex-II

## Source Wise Generation

Sources	Reference		Actual	
	June 2011			
	GWh	%	GWh	%
Hydel	3,124.59	34.44%	3,302.05	36.15%
Coal	11.35	0.13%	9.77	0.11%
HSD	-	0.00%	13.89	0.15%
RFO	3,283.56	36.19%	3,139.72	34.38%
Gas	2,366.30	26.08%	2,243.04	24.56%
Nuclear	216.00	2.38%	364.16	3.99%
Import Iran	21.84	0.24%	21.74	0.24%
Mixed	48.71	0.54%	37.93	0.42%
Wind		0.00%	1	0.01%
<b>Total</b>	<b>9,072.34</b>	<b>100.00%</b>	<b>9,133.07</b>	<b>100.00%</b>
Sale to IPPs		0.00%	(4.52)	-0.05%
Transmission Losses	(226.81)	-2.50%	(329.89)	-3.61%
Net Delivered	8,845.53	97.50%	8,798.66	96.34%

## Source Wise Fuel Cost/Energy Purchase Price

Sources	Reference		Actual	
	June 2011			
	Mlns. Rs.	Rs./kWh	Mlns. Rs.	Rs./kWh
Hydel	326.07	0.1044	572.82	0.1735
Coal	30.60	2.6975	29.93	3.0631
HSD	-	-	217.13	15.6320
RFO	36,708.43	11.1795	46,339.74	14.7592
Gas	8,418.76	3.5578	7,455.39	3.3238
Nuclear	110.05	0.5095	407.53	1.1191
Import Iran	108.96	4.9894	186.34	8.5700
Mixed	511.43	10.5000	436.21	11.5000
Wind			7.01	9.1213
<b>Total</b>	<b>46,214.30</b>	<b>5.0940</b>	<b>55,652.10</b>	<b>6.0935</b>
Supplemental Charges		-	219.91	0.0241
Sale to IPPs		-	(93.78)	(20.7348)
<b>Grand Total</b>	<b>46,214.30</b>	<b>5.0940</b>	<b>55,778.23</b>	<b>6.1073</b>
Transmission Losses	-	0.1306	-	0.2321
<b>Net Total</b>	<b>46,214.30</b>	<b>5.2246</b>	<b>55,778.23</b>	<b>6.3394</b>

